

Amethyst Academies Trust

Registered number: 08310900

Trustees report and financial statements

For the year ended 31 August 2019



AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 11
Governance statement	12 - 14
Statement on regularity, propriety and compliance	15
Statement of Trustees' responsibilities	16
Independent auditor's report on the financial statements	17 - 19
Independent reporting accountant's assurance report on regularity	20 - 21
Statement of financial activities incorporating income and expenditure account	22
Balance sheet	23
Statement of cash flows	24
Notes to the financial statements	25 - 46

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2019

Members

J Inglis (Chair)
K Austin (Parent Governor)
B Stephenson (Vice Chair)
M Marks
S Moran

Trustees

Mr J Inglis, Chair of Trustees
Mrs N Davis, Principal and Accounting Officer
Mr M Marks
Mrs S Reid
Mrs H Bourton
Mr B Stephenson, Vice Chair
Mr P Hill (resigned 29 November 2018)
Mrs C Thomas

Company registered number

08310900

Company name

Amethyst Academies Trust

Principal and registered office

Barnhurst Lane, Codsall, Wolverhampton, WV8 1RT

Clerk to the Governing Body

Hannah Creamer / Stephanie Garbett / Lauren Jones

Company Name

Amethyst Academy Trust

Independent auditor

Mazars LLP, 45 Church Street, Birmingham, B3 2RT

Bankers

Lloyds Bank Plc, Wolverhampton, WV1 1RF

Solicitors

Eversheds

AMETHYST ACADEMIES TRUST

(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2018 to 31 August 2019. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The academy trust operates 2 academies for pupils aged 11-16 serving the community of Wolverhampton. The Trust has a purpose built sixth form that is based on Aldersley High School site. Its academies and Sixth Form have a combined pupil capacity of 2086 and a roll of 1841 in the school census October 2019.

Structure, governance and management

a. CONSTITUTION

The academies trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academies trust. The trustees of Amethyst Academies Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Amethyst Academies Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page [1].

b. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

c. TRUSTEES' INDEMNITIES

The Companies Act 2006 s236 requires disclosure concerning qualifying third party indemnity provisions. Method of Recruitment and Appointment or Election of Trustees .

The number of Trustees shall not be less than three but shall not be subject to any maximum. The Trust shall have up to three Trustees appointed by the members. Appointed Trustees may themselves appoint Co-opted Trustees. The CEO, as ratified by the Members, is also a Trustee. Trustees who are employees of the Trust cannot exceed one third of the total numbers of Trustees including the CEO.

Indemnity Insurance to cover the liability of the Trustees for £10,000,000 has been purchased by the Trust. The cost of such insurance is bundled as part of the overall school insurance, which is included within the total overall insurance cost of £40,765 (2018: £51,067).

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

As set out in the Articles the Directors may elect and then appoint Trustees. The term of office for any Trustee is 4 years. The Board of Trustees who were in office on 31 August and served for all or part of the year are listed on page 1.

e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The Academy procures Governor Support services from an independent company. Additional training is provided as required based on individual or collective need. External advice and support is commissioned where necessary.

AMETHYST ACADEMIES TRUST **(A company limited by guarantee)**

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2019**

f. ORGANISATIONAL STRUCTURE

The trust has defined the responsibilities of each group or person involved in the administration of each academy's finances and accountability framework, to avoid the duplication or omission of functions and to provide a framework of accountability for governors and staff. The reporting structure is illustrated below.

Trust Board

The Trust Board has overall authority for all financial matters relating to the charitable trust and are responsible for ensuring that each academy conforms to the requirements of the EFSA, DFE, the charity commission and other regulatory bodies.

Finances and General Purposes Sub-Committee

The Trust Board delegates some of its financial oversight to the Finance and General purposes sub-committee. This committee aims to meet once per month. The main responsibilities of the Committee are detailed in their terms of reference which have been approved and adopted by the Trust Board.

Pay and Personal Committee

This is a sub-committee of the Trust Board and aims to meet once per term but more frequently if necessary. The main responsibilities of the committee are detailed in their terms of reference which have been approved and adopted by the Trust Board.

Local Governing Body

The Local Governing Body is a sub-committee of the Trust Board and the two academies and Sixth Form now have one executive board that is called the ambassadorial committee. The responsibilities delegated to them are detailed within the scheme of delegation that is reviewed annually and published on the Trust's website. The Trust Board have the power to dissolve a Local Governing Body if a school enters an Ofsted category or malpractice is evident. In these circumstances the trust Board will appoint an interim governing body. It will be the decision of the Trust Board what constitutes a reason for such an appointment.

Chief Executive Officer (CEO)

The CEO holds the title of the accounting officer for the group of academies and the charitable Trust however she delegates some of her financial responsibilities to the Business and Finance Director whilst retaining overall responsibility for the Accounting Officer function.

Headteacher of each Academy

The Executive Headteacher and/or Headteacher has delegated powers in accordance with the scheme of delegation agreed by the Trust Board and reviewed on an annual basis. Much of the group financial responsibility has been delegated to the Business and Finance Director but the executive Headteacher/ Headteacher still retains responsibility for the running of the establishment.

g. ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Pay and remuneration Policy committee has been established during the year to consider the pay of key management personal and make recommendations to trust Board with ultimate authorisation being enacted at Trust level. They will consider the pay of the CEO, Executive Headteacher, Headteacher, Business and Finance director on an annual basis and agree any uplift taking into account market conditions and basing pay upon nationally accepted levels of pay within the education sector and public sector.

h. TRADE UNION FACILITY TIME

Relevant union officials

Number of employees who were relevant union officials during the year

1

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

Full-time equivalent employee number	1
Percentage of time spent on facility time	
Percentage of time	Number of employees
0%	-
1%-50%	1
51%-99%	-
100%	-
Percentage of pay bill spent on facility time	£
Total cost of facility time	636
Total pay bill	8,506,484
Percentage of total pay bill spent on facility time	0.01 %
Paid trade union activities	
Time spent on paid trade union activities as a percentage of total paid facility time hours	100.00 %

Objectives and Activities

a. OBJECTS AND AIMS

The education provided within the Trust is broadly traditional and academically rigorous. Our knowledge-rich curriculum is unique within Wolverhampton and we are the only Trust that takes a purely knowledge driven approach together with our 'Teach Like a Champion' pedagogy in the City. Every student will be exposed to the professional expertise of our teaching staff and immersed into a knowledge-rich curriculum so that they acquire the knowledge, skills and understanding they need in order to be successful. This pedagogy will be supported by 'Teach Like a Champion' techniques which will maximise effective student learning and allow our teachers to enjoy their work by doing it well.

We expect our pupils to be polite and respectful of their school and others. Through our House system we encourage pupils to be competitive and allow them to win and lose. All pupils commit and participate in our Eighteen before Eighteen Programme and challenge themselves to complete eighteen projects that range from playing in a competitive team to completing Gold Duke of Edinburgh.

Our school day is longer than most secondary schools with extra-curricular activities before and after school to broaden pupils' horizons and offer additional stretch and challenge. Pupils have the opportunity to work together in smaller groups and with likeminded pupils from different year groups and schools e.g. in the school drama production.

We believe that all children have entitlement to the best universities and higher apprenticeships and therefore we have a rigorous CIAG Programme that involves employment fayres at each parental event; annual University visits; strong alumni that guest speak in assemblies together with a Trust Business group consisting of local employers that meet with us each term. The Trust recognizes that our staff are central to all that we do and so we work hard to ensure that their working environment is friendly and well resourced, and their workload is further manageable through a no marking policy and centralized data systems. All staff, at every level, are encouraged to continually develop themselves and continue to learn so that they can take up new and future roles within the organisation.

AMETHYST ACADEMIES TRUST **(A company limited by guarantee)**

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2019**

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

How we will achieve our objectives:

The Trust will:

Leadership

Ensure that governors have the skills, determination and resilience to challenge and support the senior leadership team to drive continuous improvements in the schools.

Ensure that teaching and support staff, at every level of the organisation, have the appropriate skill set to be effective leaders of education or provide high quality services, to drive up standards and improve learning outcomes for every student whilst ensuring that they have the correct work/life balance.

Partnership

Build effective two-way communications between schools and home, to help families support their child's learning at home and encourage parents/carers to volunteer their skills and talents to support the school and its students.

Work with neighbouring schools and other educational providers, to establish a local support network to provide an outstanding level of education that meets the needs of every student.

Work with local businesses to ensure that employability and enterprise skills underpin the curriculum for every student to prepare them for the world of work.

Supporting the disadvantaged and most vulnerable students.

Ensure that provision is fully inclusive for every student regardless of background, disability or special educational need.

Support the emotional wellbeing and resilience of every student so that they can enjoy adult lives, free from lifelong mental health problems.

Ensure that Looked after Children are prioritised and supported to access the best possible educational experience and achieve their future potential.

Curriculum

Ensure that every student follows an all-through knowledge-rich curriculum, supported by an enrichment programme to give students the opportunity to find out more about their interests and passions and to develop the 'soft skills' for employability.

Ensure that every student has hands-on learning experiences in Forest School and Duke of Edinburgh programmes to develop confidence, resilience and independence, and make a positive contribution to the community.

Create and maintain inspiring, state-of-the art learning environments that support the curriculum and develop technologically capable students.

Managing and developing the staff team

Provide a thorough and comprehensive induction programme for every new staff member, so that they understand the importance of their role in the vision of the Trust and how they can contribute to shaping its future.

Provide high quality continuous professional development and training for every staff member, to deliver excellent student outcomes and support opportunities for personal growth and rapid career progression.

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

Ensure that systems are in place to reduce unnecessary work load so that every staff member can enjoy and benefit from a healthy work-life balance.

The Trust will:

Raise aspirations

Set ambitious academic targets based on Fischer Family Trust Aspire (Very High Challenge) estimates so that every student has high expectations of what they could achieve if they challenge themselves and work hard.

Ensure that every student is led by an inspirational and motivational Academic Standards Leader who will work with families to support and challenge them to realise their target grades in each of their subjects.

Deliver an exciting and inspiring programme of careers and University related activities to every student from Year 7 onwards so that they can make informed choices about post 16 options and future career pathways.

Recognise, reward and celebrate students for their hard work, achievements and contribution to the community. Promote good attendance and punctuality.

Set an ambitious school attendance targets of 96% and have procedures in place to support students and their families with persistent absence and to reward those who maintain high levels of attendance and punctuality.

Ensure that policies and robust safeguarding procedures are in place so that every student feels safe and secure.

Ensure that the curriculum and enrichment activities are inclusive so that every student can succeed in their studies, enjoy learning and want to attend school.

Work with families and other agencies to deliver high quality pastoral care so that every student feels supported and valued as a member of their House.

Improve literacy and numeracy skills

Set an ambitious school target for the percentage of students attaining a grade 5 or above in English and Mathematics in line with national average figures.

Use Year 7 catch-up premium funding to provide intense and focused literacy and numeracy support, through high quality teaching and resources, to students who did not achieve the expected standard at the end of Key Stage 2.

Use pupil premium funding to employ additional academic coaches and lead practitioners in English and Mathematics to reduce class sizes and increase literacy and numeracy. Build and develop a culture where reading for pleasure supports every student to become a confident and capable reader and improve their comprehension, vocabulary and writing skills across the curriculum.

Intervene and support

Provide bespoke programmes of learning for EAL and SEND students so that they can access the curriculum and make rapid progress.

Deliver an assessment system to provide every student with constructive feedback on their progress so that they can further improve, and help families to play an active role in their child's learning.

Provide timely intervention and support to individuals and groups of students who are falling behind and need additional help to get back on track.

the capacity to provide individual and small group tuition where needed.

AMETHYST ACADEMIES TRUST **(A company limited by guarantee)**

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2019**

c. PUBLIC BENEFIT

The trustees can confirm that the academy trust's trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission [on their website at Charities and Public Benefit] in exercising their powers or duties. A definition of public benefit entities is included in the glossary to the [SORP (item GL 49)].

Strategic report

a. KEY PERFORMANCE INDICATORS

Achievements and Performance

The education provided within the Trust is broadly traditional and academically rigorous. Our knowledge-rich curriculum is unique within Wolverhampton and we are the only Trust that takes a purely knowledge driven approach together with our 'Teach Like a Champion' pedagogy in the City. Our knowledge-rich curriculum together with all the resources that support it that have already been produced, thus reducing teacher workload. Every student is exposed to the professional expertise of our teaching staff and immersed into a knowledge-rich curriculum so that they acquire the knowledge, skills and understanding they need in order to be successful. This pedagogy is supported by 'Teach Like a Champion' techniques which will maximise effective student learning and allow our teachers to enjoy their work by doing it well. All Year 7 pupils commit and participate in our Eighteen before Eighteen Programme and challenge themselves to complete eighteen projects that range from playing in a competitive team to completing Gold Duke of Edinburgh.

Pupils know how well they are doing, both in relation to themselves and to others. In this respect pupils have weekly quizzes in all subjects and sit biannual exams, in January and in June. The outcome of these assessments are reported to pupils and parents and used to set school and individual targets. Our school day is longer than most secondary schools with extra-curricular activities before and after school to broaden pupils' horizons and offer additional stretch and challenge. Pupils have the opportunity to work together in smaller groups and with likeminded pupils from different year groups and schools e.g. in the school drama production. We believe that all children have entitlement to the best universities and higher apprenticeships and therefore we have a rigorous CIAG programme that involves employment fayres at each parental event; annual University visits; strong alumni that guest speak in assemblies together with a Trust Business group consisting of local employers that meet with us each term.

The Trust recognizes that our staff are central to all that we do and so we work hard to ensure that their working environment is friendly and well resourced, and their workload is further manageable through a no marking policy and centralized data systems. All staff, at every level, are encouraged to continually develop themselves and continue to learn so that they can take up new and future roles within the organization.

The Trust set up a joint Amethyst Sixth Form between the two sites. Funding from the Secondary sufficiency strategy allowed the disused Aldersley swimming pool to be rebuilt and refurbished into a 2.5 million pounds Sixth Form Centre.

The Trust are proud that they have submitted a Free School application to Wave 14.

2018 Ofsted for Aldersley High School

The good outcome following the short inspection in March 2018 reflected the school's consistent upward trajectory over the past decade.

"Leaders are passionate about the school and ambitious to improve wider standards through working with school leaders locally. The Amethyst Academies Trust was set up since the last inspection. This comprises two schools working together under your leadership. In addition, you have recently been appointed as a national leader of education. This further reflects your objectives, the effective work you have done across schools and the

AMETHYST ACADEMIES TRUST **(A company limited by guarantee)**

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2019**

capacity for further improvements."

2019 Pupil outcomes for Aldersley High School

Progress 8

Over the past 3 years overall P8 has been above or well above average. The 2019 provisional figure is 0.82, placing the school second in the Black Country. Provisional P8 figures (Performance Checking Tables) for the elements are also strong: English 0.96; mathematics 0.54; English Baccalaureate 0.82 and Open 0.97. In 2018 P8 was well above average at 0.51 compared to the Local Authority at -0.05 and the national average at -0.02. Progress 8 for disadvantaged students was well above national average at 0.43 compared to LA at 0.14 and national at 0.13. Comparable data for 2019 is not yet available.

Attainment 8

The 2019 provisional A8 figure of 50.9 is 6 points higher than the LA figure and 4.4 points higher than national.

Basics

The 2019 provisional % of pupils attaining a grade 5 or above in English and mathematics is 46.7%, 11.9% higher than the LA figure and 3.7% higher than national.

EBacc

The 2019 provisional EBacc APS is 4.72, 1.04 points higher than the LA figure and 0.66 points higher than national. Almost 95% of the cohort were entered for EBacc.

Disadvantaged pupils

The Trust is delighted to reports its 2019 provisional P8 score (Performance Checking Tables) is 0.80, up from 0.43 in 2018, and in line with the overall P8 figure. Provisional figures for the elements are also strong: English 1.05; mathematics 0.49; English Baccalaureate 0.76 and Open 0.89. These are again very similar to the overall P8 figures for these elements. In 2018 the P8 score was well above the LA and national figures of 0.14 and 0.13 respectively. Comparable data for 2019 is not yet available. The provisional A8 score is 48.55, up 8.65 points from 2018.

2014 Ofsted for Moreton School

Moreton School joined the Trust in March 2017 as an academy and therefore there is no recent Ofsted report. The previous Ofsted grade in 2014 prior to academisation was Good.

2019 Pupil outcomes for Moreton School

Progress 8

The 2019 provisional overall P8 figure increased by 0.27 points from P8 -0.61 in 2018 to P8 -0.34, moving the school from well below average, overall, to below average. This is the second increase in two years, up 0.7 points from P8 -1.00 in 2017. Most of the 2019 increase in overall progress was due to the rapid increase in the P8 figure for the Open element, up 0.68 points to +0.50. Low prior attainers made at least average progress in all 4 elements and overall achieved P8 +0.35. The P8 figure for High attainers increased 0.6 points from P8 -0.90 in 2018 to P8 -0.30. Progress in the Open element is now positive at P8 +0.40.

Attainment 8

The overall A8 figure increased by 4.5 points from 36.2 in 2018 to 40.7. Attainment increased in all 4 elements with the biggest rises in the Ebacc and Open A8 figures of 2 points and 1.6 points, respectively. Overall A8 figures increased for Middle and High prior attainers by 3 points and 7.9 points, respectively.

Basics

The % of pupils attaining a grade 5 or above in English and mathematics increased by 4% from 19% in 2018 to 23%. This is the second increase in two years, up 8% from 2017. The % of pupils attaining a grade 4 or above similarly increased by 4% from 2018 to 42%.

EBacc

The average EBacc APS per pupil increased 0.66 points from 2.76 in 2018 to 3.24. The % of pupils achieving

AMETHYST ACADEMIES TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2019

grade 5 or above in the English Baccalaureate increased from 0% in 2018 to 5% in 2019.

Disadvantaged pupils

The Trust is also delighted at the improvements made in the P8 score for disadvantaged pupils which increased by 0.39 points from P8 -0.72 in 2018, to P8 -0.33. Improved outcomes across all 4 elements contributed to this increase, particularly in the Ebacc and Open elements. Progress in the latter was above average at P8 +0.44. Disadvantaged pupils (P8 -0.33) made more or less the same overall progress as their non-disadvantaged peers (P8 -0.28) with an in-school gap of just 0.05 points. This points to the efficacy of the 2018/19 pupil premium strategy.

The overall A8 figure for disadvantaged pupils increased by 3.8 points from A8 34.6 in 2018, to A8 38.4. The average EBacc APS per pupil increased 0.38 points from 2.64 in 2018 to 3.02.

b. GOING CONCERN

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

c. REVIEW OF ACTIVITIES

Financial review

a. RESERVES POLICY

Where reserves are held, it is a requirement of the charity accounting regulations that charity trustees must state their reserves policy in their annual report. Further details may be found in Accounting and Reporting by Charities: Statement of Recommended Practice; commonly referred to as the Charity SORP. Academy schools, as exempt charities, must comply with these regulations. Guidance on reserve policies and their reporting requirements is contained in the Education Skills Funding Agency's (ESFAs) annual Academies Accounts Direction. The governors review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The governors will always try to match income with expenditure in the current year (set and manage a balanced budget), will only carry forward reserves that it considers necessary and will have a clear plan for how it will be used to benefit the pupils. The governors have determined that the appropriate level of free reserves should be equivalent to one month's payroll cost, approximately £530,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grant income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long term sickness where unforeseen costs are incurred. The Academy will monitor the level of reserves to ensure that they are maintained at the required level. In the event that they are partly used the Academy will strive to rebuild free reserves up to the level needed. At year end free reserves of £450,000 were held.

As of the 31st August 2019 the in-year deficit figure was £485,489.

The actual state position of reserves (restricted general funds, excluding pension reserves, plus unrestricted funds) as at 31st August 2019 £10,887,895.

b. MATERIAL INVESTMENTS POLICY

Where funds allow as and when interest rates improve significantly then the Trust will invest funds on a short term basis to be reviewed every 30 days of investment. No funds were invested during the last financial year.

AMETHYST ACADEMIES TRUST **(A company limited by guarantee)**

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2019**

The Directors have several legal responsibilities when making financial investments. They must:

- Know and act within their powers to invest.
- Exercise care and skill when making investment decisions. Select investments that are right for the school. This means taking account of suitability of the investment in relation to the school's needs and the need to manage risk and consider suitable diversification.
- Take advice from someone experienced in investment matters.
- Follow certain legal requirements if they are going to use someone to invest on their behalf.
- Review investments periodically.
- Explain their investment policy in their annual report.

c. PRINCIPAL RISKS AND UNCERTAINTIES

The Governors have assessed the major risks to which the Academy is exposed, in particular those related to the operations and finances of the Academy, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The Academy has a risk register that is reviewed annually by the Governing Body through the Finance and General Purposes Committee. The register records the risks that have been identified and the control measures it has implemented. The statement of internal control is considered annually. The Current and future risks relate to finances with increasing pension and National Insurance costs but decreasing funding. However, the Academies Trust is confident that income will increase due to an increase in primary school numbers over the next 6 years. Reputational risk is also identified on the register as we are fully aware that if either we or a sponsored school do not continue to improve then our reputation in the community and as a sponsor will be damaged. We minimise this risk with a whole raft of quality assurance procedures. Our risk register also sets out that we must not expand too quickly until we have developed sufficient leadership capacity to manage the challenge.

Plans for future periods

a. FUTURE DEVELOPMENTS

The Trust seeks to achieve the highest academic standards for all of its pupils and as such has set out a detailed Trust Improvement Plan.

Priorities being:

- To bring a third secondary school into the trust within the next 12 months
- Students will make rapid and sustained progress at least in line with national averages in both academies
- Teaching will be at least good in all lessons leading to progress at least in line with national averages
- Parents, carers, staff and students will be highly positive about behaviour and safety. Students will make an exceptional contribution to a safe and positive learning environment
- All leaders will be highly ambitious for the Academy and demonstrate an uncompromising and relentless drive for excellence and continual improvement in achievement
- The newly established Sixth Form will be in line with national average progress and will be at capacity in the next 12 months

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

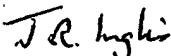
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

DISCLOSURE OF INFORMATION TO AUDITOR

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 28/11/19 and signed on its behalf by:


.....
Mr J Inglis
Chair of Trustees

AMETHYST ACADEMIES TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that Amethyst Academies Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Amethyst Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Inglis, Chair of Trustees	3	3
Mrs N Davis, Principal and Accounting Officer	3	3
Mr M Marks	3	3
Mrs S Reid	3	3
Mrs H Bourton	2	3
Mr B Stephenson, Vice Chair	3	3
Mr P Hill (resigned 29.11.18)	1	3
Mrs C Thomas (resigned 24.10.19)	1	3

The finance and general purposes committee is a sub-committee of the main board of trustees. It has overall authority for all financial matter relating to the charitable trust and for ensuring that the academy conforms to the requirements of the DFE, charity commission and other regulatory bodies. The Committee aims to meet once per half term but more frequent meetings can be arranged where necessary. The main responsibilities of the F and GP are detailed in the committee's term of reference which have been approved and adopted by Amethyst Academies Trust Board. The main particular issue that it has dealt with this year is the restructure and the year deficit together with internal and external audit findings and subsequent action.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
J Inglic (Chair)	8	8
N Davies (Principal and Accounting Officer)	8	8
L Pritchard (Staff Governor)	5	8
P Hill	1	2
S Reid	8	8

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Principal has responsibility for ensuring that the academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the academy's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy has

AMETHYST ACADEMIES TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Amethyst Academies Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

The academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Katie Morgan as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. In particular the checks carried out in the current period included:

- Governance
- Payroll
- Purchasing
- Income
- Budget planning and control
- Banking
- Assets

Compliance with the Academies Financial Handbook (September 2015), statutory requirements, DfE guidance and the school's internal procedures was also tested.

Overall conclusion

The review has identified that routine administration and financial processes operated at the school are of a good standard and provide robust controls. Recommendations have been suggested in

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

order to enhance governance arrangements, payroll checks, income collection and reconciliation procedures and budget preparation. Based on the testing undertaken, it is concluded that a level of good assurance can be provided to the Board / Governing Body.

On a termly basis, the auditor reports to the board of trustees through the finance and general purposes committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

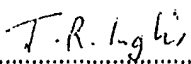
REVIEW OF EFFECTIVENESS

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the finance and general purposes committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 28/11/19 and signed on its behalf, by:


.....
Mr J Inglis
Chair of Trustees


.....
Mrs N Davis
Accounting Officer

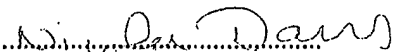
AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Amethyst Academies Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2018.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.


Mrs N Davis
Accounting Officer

28/11/19

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 28/11/19 and signed on its behalf by:

J. R. Inglis

.....
Mr J Inglis
Chair of Trustees

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE
MEMBERS OF AMETHYST ACADEMIES TRUST**

OPINION

We have audited the financial statements of Amethyst Academies Trust ("the 'Academy Trust'") for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In the opinion the financial statements:

- give a true and fair view of the state of Amethyst Academy Trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditors' reports thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE
MEMBERS OF AMETHYST ACADEMIES TRUST**

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In the opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in the opinion:

- adequate accounting records have not been kept, or returns adequate for the audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for the audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement set out on page 16, the Trustees (who are directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE
MEMBERS OF AMETHYST ACADEMIES TRUST**

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of the Auditor's report.

USE OF THE AUDIT REPORT

This report is made solely to the Academy Trust's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and the Academy Trust's members as a body for our audit work, for this report, or for the opinions we have formed.



Ian Holder (Senior Statutory Auditor)

for and on behalf of

Mazars LLP

Chartered Accountants
Statutory Auditor

45 Church Street
Birmingham
B3 2RT

Date: 10 December 2019

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO AMETHYST ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 6th September 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Amethyst Academy Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Amethyst Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Amethyst Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Amethyst Academy Trust and the ESFA, for the work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF AMETHYST ACADEMY TRUST'S ACCOUNTING OFFICER AND THE
REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Amethyst Academy Trust's funding agreement with the Secretary of State for Education dated 21 December 2012, and the Academies Financial Handbook extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by the profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to the attention in carrying out the work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted the engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

The work undertaken to draw our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO AMETHYST ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**
(continued)

CONCLUSION

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mazars LLP

Mazars LLP

**Chartered Accountants
Statutory Auditor**

**45 Church Street
Birmingham
B3 2RT**

Date: *10 December 2019*

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:						
Donations and capital grants	2	12,971	-	1,345,914	1,358,885	274,900
Charitable activities	3	191,008	10,611,259	-	10,802,267	10,565,738
Other trading activities	4	56,939	128,208	-	185,147	167,964
Investments	5	735	-	-	735	721
TOTAL INCOME		261,653	10,739,467	1,345,914	12,347,034	11,009,323
EXPENDITURE ON:						
Charitable activities:						
Raising funds		33,172	60,815	-	93,987	86,762
Other charitable activities		179,025	10,985,929	368,582	11,533,536	11,654,168
TOTAL EXPENDITURE	6	212,197	11,046,744	368,582	11,627,523	11,740,930
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		49,456	(307,277)	977,332	719,511	(731,607)
Transfers between Funds	17	-	26,429	(26,429)	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		49,456	(280,848)	950,903	719,511	(731,607)
Actuarial gains/(losses) on defined benefit pension schemes	21	-	(1,205,000)	-	(1,205,000)	1,235,000
NET MOVEMENT IN FUNDS		49,456	(1,485,848)	950,903	(485,489)	503,393
RECONCILIATION OF FUNDS:						
Total funds brought forward		449,977	(6,562,624)	17,486,031	11,373,384	10,869,991
TOTAL FUNDS CARRIED FORWARD		499,433	(8,048,472)	18,436,934	10,887,895	11,373,384

All activities relate to continuing activities.

AMETHYST ACADEMIES TRUST
Registered number: 08310900
(A company limited by guarantee)

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	£	2019 £	£	2018 £
FIXED ASSETS					
Intangible assets	13		1,051		2,855
Tangible assets	14		18,435,883		17,483,176
			<u>18,436,934</u>		<u>17,486,031</u>
CURRENT ASSETS					
Debtors	15	907,303		463,819	
Cash at bank and in hand		972,020		774,209	
		<u>1,879,323</u>		<u>1,238,028</u>	
CREDITORS: amounts falling due within one year	16	<u>(1,178,362)</u>		<u>(656,675)</u>	
NET CURRENT ASSETS			700,961		581,353
TOTAL ASSETS LESS CURRENT LIABILITIES			19,137,895		18,067,384
Defined benefit pension scheme liability	21		<u>(8,250,000)</u>		<u>(6,694,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>10,887,895</u>		<u>11,373,384</u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	17	201,528		131,376	
Restricted fixed asset funds	17	18,436,934		17,486,031	
		<u>18,638,462</u>		<u>17,617,407</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(8,250,000)</u>		<u>(6,694,000)</u>	
Total restricted income funds			10,388,462		10,923,407
Unrestricted income funds	17		499,433		449,977
TOTAL FUNDS			<u>10,887,895</u>		<u>11,373,384</u>

The financial statements on pages 22 to 46 were approved by the Trustees, and authorised for issue, on 28/11/19 and are signed on their behalf, by:

J.R. Inglis
.....
Mr J Inglis
Chair of Trustees

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	1,701,438	(195,026)
Cash flows from investing activities:			
Investment income		735	721
Purchase of tangible fixed assets	14	(1,333,099)	(287,732)
Net cash used in investing activities		(1,332,364)	(287,011)
Change in cash and cash equivalents in the year		369,074	(482,037)
Cash and cash equivalents brought forward		774,209	1,256,246
Cash and cash equivalents carried forward	20	1,143,283	774,209

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Amethyst Academies Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.5 Intangible fixed assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Computer Software	- 25% straight line
-------------------	---------------------

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	- 2% straight line
Fixtures and fittings	- 25% straight line
Motor vehicles	- 25% straight line
Computer equipment	- 25% Straight line

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.8 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Financial instruments

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.11 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.12 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.13 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.14 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Depreciation

The assessment of the useful economic lives and the method of depreciating fixed assets requires judgement. Depreciation is charged to profit or loss based on the useful economic life selected, which requires an estimation of the period and profile over which the Academy Trust expects to consume the future economic benefits embodied in the assets.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	12,971	-	-	12,971	1,369
Capital Grants	-	-	1,345,914	1,345,914	273,531
	<u>12,971</u>	<u>-</u>	<u>1,345,914</u>	<u>1,358,885</u>	<u>274,900</u>
Total 2018	<u>273,531</u>	<u>1,369</u>	<u>-</u>	<u>274,900</u>	

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant	-	9,560,830	9,560,830	9,504,273
Other DfE/ESFA grants	-	810,801	810,801	777,469
Local authority grants	-	129,706	129,706	36,040
Special educational projects	-	109,922	109,922	91,461
Other income from the academy trust	191,008	-	191,008	156,495
	<u>191,008</u>	<u>10,611,259</u>	<u>10,802,267</u>	<u>10,565,738</u>
Total 2018	<u>-</u>	<u>10,565,738</u>	<u>10,565,738</u>	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Hire of facilities	5,067	-	5,067	12,055
Catering income (Non pupils)	10,053	-	10,053	8,237
School trips	-	53,061	53,061	35,761
Sundry Income	41,819	75,147	116,966	111,911
	<u>56,939</u>	<u>128,208</u>	<u>185,147</u>	<u>167,964</u>
Total 2018	<u>167,964</u>	<u>-</u>	<u>167,964</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Short term deposits	735	-	735	721
Total 2018	<u>721</u>	<u>-</u>	<u>721</u>	

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

6. EXPENDITURE

	Staff costs 2019 £	Premises 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Educational Operations:					
Direct costs	7,518,496	334,284	805,881	8,658,661	8,855,076
Support costs	1,639,101	985,449	176,525	2,801,075	2,799,092
Expenditure on raising funds					
Direct costs	11,315	-	134,616	145,931	83,154
Support costs	-	1,520	20,336	21,856	3,608
	<u>9,168,912</u>	<u>1,321,253</u>	<u>1,137,358</u>	<u>11,627,523</u>	<u>11,740,930</u>
Total 2018	<u>9,445,514</u>	<u>560,355</u>	<u>1,735,061</u>	<u>11,740,930</u>	

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

7. SUPPORT COSTS

	Educational Operations £	Raising funds £	Total 2019 £	Total 2018 £
Pension finance costs	173,000	-	173,000	190,000
Technology costs	31,408	-	31,408	30,264
Premises costs	572,435	1,520	573,955	560,355
Other support costs	542,456	20,336	562,792	366,088
Governance costs	54,179	-	54,179	117,222
Wages and salaries	679,300	-	679,300	830,225
Pension current service cost	714,000	-	714,000	672,000
Depreciation	34,297	-	34,297	36,546
	<u>2,801,075</u>	<u>21,856</u>	<u>2,822,931</u>	<u>2,802,700</u>
Total 2018	<u>2,799,092</u>	<u>3,608</u>	<u>2,802,700</u>	

8. NET EXPENDITURE

This is stated after charging	2019 £	2018 £
Amortisation of intangible fixed assets	1,804	1,804
Depreciation of tangible fixed assets:		
- owned by the academy	366,777	351,694
Auditor's remuneration	13,500	13,000
Auditor's remuneration - non-audit	6,090	7,300
Governance Internal audit costs	1,400	1,400
Operating lease rentals:		
- other operating leases	20,799	25,844

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	6,807,020	6,886,913
Social security costs	639,649	671,630
Operating costs of defined benefit pension schemes	1,467,038	1,516,821
	<u>8,913,707</u>	<u>9,075,364</u>
Agency staff costs	52,598	55,915
Staff restructuring costs	30,607	124,235
Other costs	172,000	190,000
	<u>9,168,912</u>	<u>9,445,514</u>

b. Non-statutory/non-contractual staff severance payments

Of the restructuring costs £Nil (2018: £Nil) relate to non-contractual termination payments and £30,607 (2018: £124,235) relate to contractual termination payments.

c. Staff numbers

The average number of persons employed by the academy during the year was as follows:

	2019 No.	2018 No.
Teachers - full time	99	107
Administration and support	116	106
Management team	25	25
	<u>240</u>	<u>238</u>

d. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2019 No.	2018 No.
In the band £60,001 - £70,000	8	5
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	1
In the band £110,001 - £120,000	1	1

10. CENTRAL SERVICES

No central services were provided by the academy to its academies during the year and no central charges arose.

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

11. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2019 £	2018 £
Mrs N Davis, Head Teacher	Remuneration	115,000-120,000	110,000-115,000
	Pension contributions paid	15,000-20,000	15,000-20,000

During the year ended 31 August 2019, no Trustees received any reimbursement of expenses (2018 - £nil).

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 (2018: £10,000,000) on any one claim and the cost for the year ended 31 August 2019 was included in the overall insurance cost of £40,765 (2018: included in the overall insurance cost of £51,067).

13. INTANGIBLE FIXED ASSETS

	Computer software £
Cost	
At 1 September 2018 and 31 August 2019	51,102
Amortisation	
At 1 September 2018	48,247
Charge for the year	1,804
At 31 August 2019	50,051
Carrying amount	
At 31 August 2019	1,051
At 31 August 2018	2,855

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

14. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2018	18,112,944	11,089	196,500	891,107	19,211,640
Additions	1,228,089	-	48,932	56,078	1,333,099
Disposals	(15,560)	-	-	-	(15,560)
At 31 August 2019	19,325,473	11,089	245,432	947,185	20,529,179
Depreciation					
At 1 September 2018	754,936	10,665	116,133	846,730	1,728,464
Charge for the year	301,041	424	36,972	28,341	366,778
On disposals	(1,946)	-	-	-	(1,946)
At 31 August 2019	1,054,031	11,089	153,105	875,071	2,093,296
Net book value					
At 31 August 2019	18,271,442	-	92,327	72,114	18,435,883
At 31 August 2018	17,358,008	424	80,367	44,377	17,483,176

15. DEBTORS

	2019 £	2018 £
Trade debtors	1,650	-
Other debtors	94,561	55,879
Prepayments and accrued income	811,092	407,940
	<u>907,303</u>	<u>463,819</u>

16. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	311,319	277,690
Other taxation and social security	171,263	176,555
Other creditors	-	66,900
Accruals and deferred income	695,780	135,530
	<u>1,178,362</u>	<u>656,675</u>

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

16. CREDITORS: Amounts falling due within one year (continued)

	2019 £	2018 £
Deferred income		
Deferred income at 1 September 2018	20,404	12,280
Resources deferred during the year	11,921	20,404
Amounts released from previous years	(20,404)	(12,280)
Deferred income at 31 August 2019	<u>11,921</u>	<u>20,404</u>

17. STATEMENT OF FUNDS

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	<u>449,977</u>	<u>261,653</u>	<u>(212,197)</u>	<u>-</u>	<u>-</u>	<u>499,433</u>
Restricted funds						
General Annual Grant (GAG)	-	9,560,830	(9,385,731)	26,429	-	201,528
Pupil Premium	119,836	739,897	(859,733)	-	-	-
Year 7 Catch Up Grant	11,540	27,017	(38,557)	-	-	-
Rates Relief	-	43,887	(43,887)	-	-	-
Local Authority Grants	-	239,628	(239,628)	-	-	-
Other Trading Activities	-	128,208	(128,208)	-	-	-
Pension reserve	(6,694,000)	-	(351,000)	-	(1,205,000)	(8,250,000)
	<u>(6,562,624)</u>	<u>10,739,467</u>	<u>(11,046,744)</u>	<u>26,429</u>	<u>(1,205,000)</u>	<u>(8,048,472)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	237,822	-	(10,058)	-	-	227,764
Transfer on conversion	17,117,350	-	(307,597)	-	-	16,809,753
Capital expenditure from GAG	130,859	1,345,914	(50,927)	(26,429)	-	1,399,417
	<u>17,486,031</u>	<u>1,345,914</u>	<u>(368,582)</u>	<u>(26,429)</u>	<u>-</u>	<u>18,436,934</u>
Total restricted funds	<u>10,923,407</u>	<u>12,085,381</u>	<u>(11,415,326)</u>	<u>-</u>	<u>(1,205,000)</u>	<u>10,388,462</u>
Total of funds	<u>11,373,384</u>	<u>12,347,034</u>	<u>(11,627,523)</u>	<u>-</u>	<u>(1,205,000)</u>	<u>10,887,895</u>

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

17. STATEMENT OF FUNDS (continued)

The specific purposes for which the funds are to be applied are as follows:

- 1) General Annual Grant: this must be used for the normal running costs of the Academy Trust.
- 2) Other EFSA and DfE Grants: this fund relates to other grants received which must be used for the purpose intended.
- 3) Other Restricted Funds: this fund relates to all other restricted funds received which must be used for the purpose intended.
- 4) Restricted Fixed Asset Funds: this fund relates to resources which must be applied for specific capital purposes intended.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2019 were allocated as follows:

	Total 2019 £	Total 2018 £
Aldersley High School	388,485	258,093
Moreton School	312,476	323,260
Total before fixed asset fund and pension reserve	700,961	581,353
Restricted fixed asset fund	18,436,934	17,486,031
Pension reserve	(8,250,000)	(6,694,000)
Total	<u>10,887,895</u>	<u>11,373,384</u>

ANALYSIS OF ACADEMIES BY COST

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding deprn £	Total 2019 £	Total 2018 £
Aldersley High School	4,099,370	1,048,368	141,053	894,149	6,182,940	5,949,088
Moreton School	3,584,292	678,733	124,674	853,468	5,241,167	5,438,344
	<u>7,683,662</u>	<u>1,727,101</u>	<u>265,727</u>	<u>1,747,617</u>	<u>11,424,107</u>	<u>11,387,432</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
General Funds	713,561	177,870	(157,507)	(283,947)	-	449,977

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

17. STATEMENT OF FUNDS (continued)

Restricted funds

General Annual Grant (GAG)	-	9,504,273	(9,774,019)	269,746	-	-
Pupil Premium	129,909	709,723	(719,796)	-	-	119,836
Year 7 Catch Up Grant	7,724	24,714	(20,898)	-	-	11,540
Rates Relief	-	43,032	(43,032)	-	-	-
Local Authority Grants	-	36,040	(36,040)	-	-	-
Special Educational Projects	-	91,461	(91,461)	-	-	-
Donations	-	1,369	(1,369)	-	-	-
Other Trading Activities	-	147,310	(147,310)	-	-	-
Pension reserve	(7,533,000)	-	(396,000)	-	1,235,000	(6,694,000)
	<u>(7,395,367)</u>	<u>10,557,922</u>	<u>(11,229,925)</u>	<u>269,746</u>	<u>1,235,000</u>	<u>(6,562,624)</u>

Restricted fixed asset funds

DfE/ESFA capital grants	-	273,531	(546)	(35,163)	-	237,822
Transfer on conversion	17,429,965	-	(312,615)	-	-	17,117,350
Capital expenditure from GAG	121,832	-	(40,337)	49,364	-	130,859
	<u>17,551,797</u>	<u>273,531</u>	<u>(353,498)</u>	<u>14,201</u>	<u>-</u>	<u>17,486,031</u>
Total restricted funds	<u>10,156,430</u>	<u>10,831,453</u>	<u>(11,583,423)</u>	<u>283,947</u>	<u>1,235,000</u>	<u>10,923,407</u>
Total of funds	<u>10,869,991</u>	<u>11,009,323</u>	<u>(11,740,930)</u>	<u>-</u>	<u>1,235,000</u>	<u>11,373,384</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Intangible fixed assets	-	-	1,052	1,052
Tangible fixed assets	-	2	18,435,882	18,435,884
Current assets	499,433	1,379,890	-	1,879,323
Creditors due within one year	-	(1,178,364)	-	(1,178,364)
Provisions for liabilities and charges	-	(8,250,000)	-	(8,250,000)
	<u>499,433</u>	<u>(8,048,472)</u>	<u>18,436,934</u>	<u>10,887,895</u>

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	2018	2018	2018	2018
	£	£	£	£
Intangible fixed assets	-	-	2,855	2,855
Tangible fixed assets	-	-	17,483,176	17,483,176
Current assets	449,977	788,051	-	1,238,028
Creditors due within one year	-	(656,675)	-	(656,675)
Provisions for liabilities and charges	-	(6,694,000)	-	(6,694,000)
	<u>449,977</u>	<u>(6,562,624)</u>	<u>17,486,031</u>	<u>11,373,384</u>

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	719,511	(731,607)
Adjustment for:		
Depreciation charges	366,778	351,694
Dividends, interest and rents from investments	(735)	(721)
Loss on the sale of fixed assets	13,614	-
Increase in debtors	(443,484)	(137,677)
Increase/(decrease) in creditors	692,950	(74,519)
Defined benefit pension scheme cost less contributions payable	178,000	206,000
Defined benefit pension scheme finance cost	173,000	190,000
Amortisation on intangible fixed assets	1,804	1,804
Net cash provided by/(used in) operating activities	<u>1,701,438</u>	<u>(195,026)</u>

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash in hand	1,143,283	774,209
Total	<u>1,143,283</u>	<u>774,209</u>

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

21. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Midlands Pension Fund. Both are Local Government Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%. A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website.

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

21. PENSION COMMITMENTS (continued)

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to TPS in the period amounted to £741,773 (2018 - £766,458).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £634,000 (2018 - £554,000), of which employer's contributions totalled £536,000 (£466,000) and employees' contributions totalled £98,000 (2018 - £88,000). The agreed contribution rates for future years are 13.8% for employers and 5.5% - 6.8% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.
West Midlands Pension Fund

Principal actuarial assumptions:

	2019	2018
Discount rate for scheme liabilities	1.88 %	2.68 %
Rate of increase in salaries	3.68 %	3.80 %
Rate of increase for pensions in payment / inflation	2.18 %	2.30 %

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

21. PENSION COMMITMENTS (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2019	2018
Retiring today		
Males	20.9	21.9
Females	23.2	24.4
Retiring in 20 years		
Males	22.6	24.1
Females	25.1	26.7

Sensitivity analysis	At 31 August 2019 £	At 31 August 2018 £
Discount rate +0.1%	11,744,000	9,455,000
Discount rate -0.1%	12,375,000	9,959,000
Mortality assumption - 1 year increase	12,488,000	10,016,000
Mortality assumption - 1 year decrease	11,637,000	9,400,000

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

21. PENSION COMMITMENTS (continued)

The academy's share of the assets in the scheme was:

	Fair value at 31 August 2019 £
Equities	2,288,000
Gilts	361,000
Other bonds	144,000
Property	310,000
Cash and other liquid assets	137,000
Other	565,000
Total market value of assets	3,805,000

The actual return on scheme assets was £214,000 (2018 - £32,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2019 £	2018 £
Current service cost	(714,000)	(672,000)
Interest income	88,000	71,000
Interest cost	(260,000)	(260,000)
Admin expenses	(1,000)	(1,000)
Total	(887,000)	(862,000)

Movements in the present value of the defined benefit obligation were as follows:

	2019 £	2018 £
Opening defined benefit obligation	9,703,000	9,970,000
Current service cost	714,000	672,000
Interest cost	260,000	260,000
Employee contributions	98,000	88,000
Actuarial losses/(gains)	1,331,000	(1,274,000)
Benefits paid	(51,000)	(13,000)
Closing defined benefit obligation	12,055,000	9,703,000

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

21. PENSION COMMITMENTS (continued)

Movements in the fair value of the academy's share of scheme assets:

	2019 £	2018 £
Opening fair value of scheme assets	3,009,000	2,437,000
Employer contributions	536,000	466,000
Interest income	88,000	71,000
Actuarial losses/(gains)	126,000	(39,000)
Employee contributions	98,000	88,000
Benefits paid	(51,000)	(13,000)
Administrative expenses	(1,000)	(1,000)
Closing fair value of scheme assets	<u>3,805,000</u>	<u>3,009,000</u>

22. OPERATING LEASE COMMITMENTS

At 31 August 2019 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts payable:		
Within 1 year	24,652	20,799
Between 1 and 5 years	39,082	12,658
Total	<u>63,734</u>	<u>33,457</u>

23. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £NIL for the debts and liabilities contracted before he/she ceases to be a member.

AMETHYST ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

24. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

One trustee is associated with Re-Entry (registration no. 03179221, registered address 80 Ellerton Walk, New Park Village, Wolverhampton, WV10 0UH) as an unpaid volunteer. In the year ended 31 August 2019 we paid £Nil (2018: £29,527) for Re-Entry services. Re-Entry provides off site education for students who struggle with main stream schools.

One trustee is associated with Wolverhampton County Council. In the year ended 31 August 2019 we paid Wolverhampton County Council £Nil (2018: £341,340) for services.